Department of Defense

End-to-End Procurement Process

Michael Williams
DRID #47 "Core Group" Co-Chair

End-to-End Procurement Process

How We Got Here . . .

Eliminate Unmatched Disbursements and Negative Unliquidated Obligations	**"Single Point of Data Entry"**
Move ahead with systems and technologies already on-hand	**MRM #2, Moving to a Paper-free Contracting Process by January 1, 2000**
Reengineer Contract Closeout and Source Acceptance Policies and Procedures	**DRIDs #32 and #33**
DCMC and DFAS co-chair an "end-to-end" procurement process review for the future shared data environment	**DRID #47, End-to-End Procurement Process, December 9, 1998**

End-to-End Procurement Process

Scope of Our Effort

- ❺ **Define the "To Be" End-to-End shared data environment for the DoD procurement process, including:**

  - Requirements
  - Solicitations
  - Awards and modifications

  - Acceptances   **DRID #33**
  - Payments   **DRID #33**
  - Contract Closeout   **DRID #32**

- ❺ **Address process dependencies, integration requirements, information requirements, and responsibilities**

- ❺ *Take advantage of business process improvement and reengineering opportunities*

End-to-End Procurement Process

DRID #47 "Core Group" Members

Co-Chairpersons

Mr. Ken Sweitzer, DFAS   Mr. Mike Williams, DLA-DCMC

Members

Army

Phillip Carney, SARDA
Kathy Miller, ASA-FM

Navy

Gale Williams, EA-21
Mike Buchko, OASN(FM)

Air Force

Katherine Ekburg, SAF/AQC
Kathy Miller, ASA-FM

DLA

Greg Ellsworth, DLA-DLSC
Barbara Shaffer, DLA-FO

DFAS

Dennis Idol, DFAS HQ
Pat Cobb, DFAS HQ

DCAA

Joe Garcia, DCAA HQ

More ⟶

DRID #47 "Core Group" Members (2)

DISA
Melissa McGinness, D41
Lisa Boeckmann, DITCO-Scott AFB

USD(A&T)
Craig Curtis, ODUSD(AR)

DUSD(L)
Roberta Peek, ODUSD(L)/LRO
Jim Kimberly, ODUSD(L)

JECPO
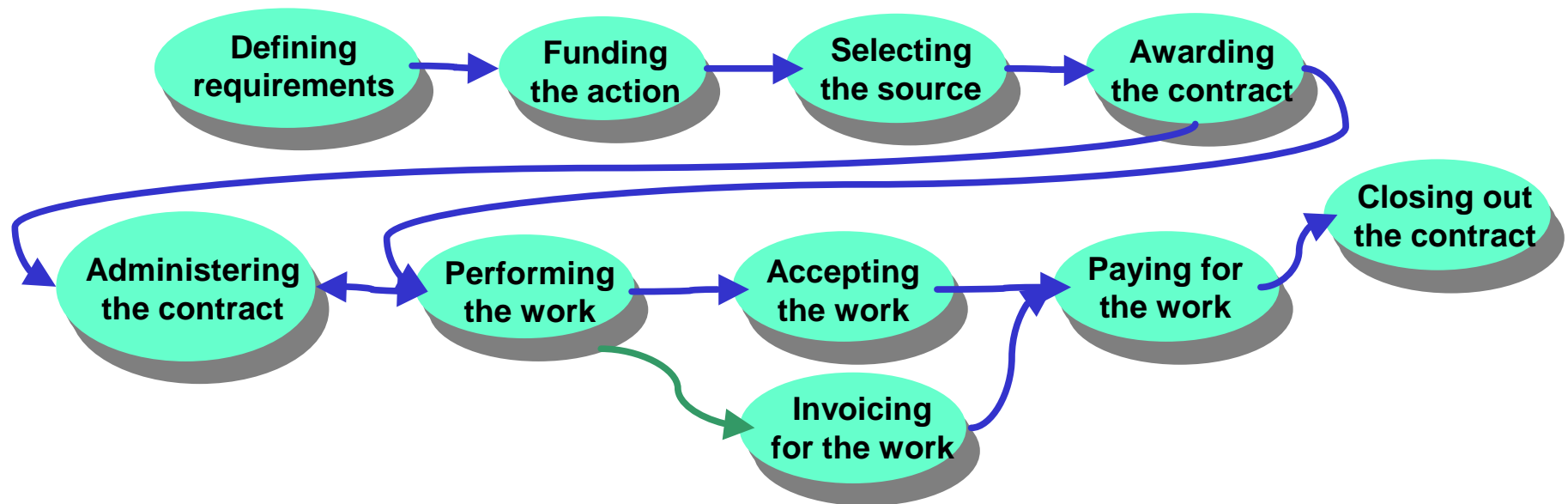**Miles Holtzman**
Bruce Propert

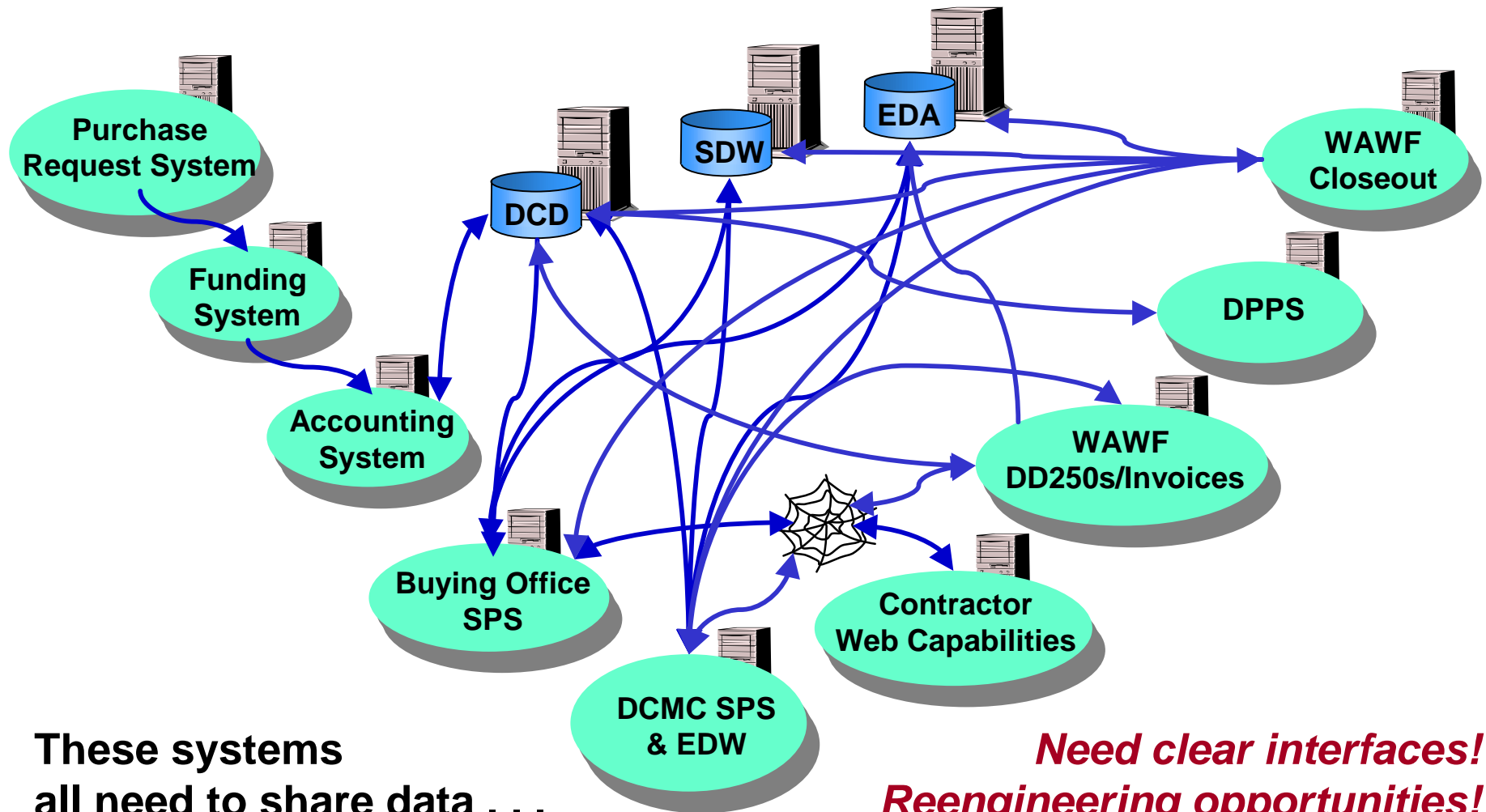*And, many working group members, too!*

End-to-End Procurement Process

The End-to-End Procurement Business Process
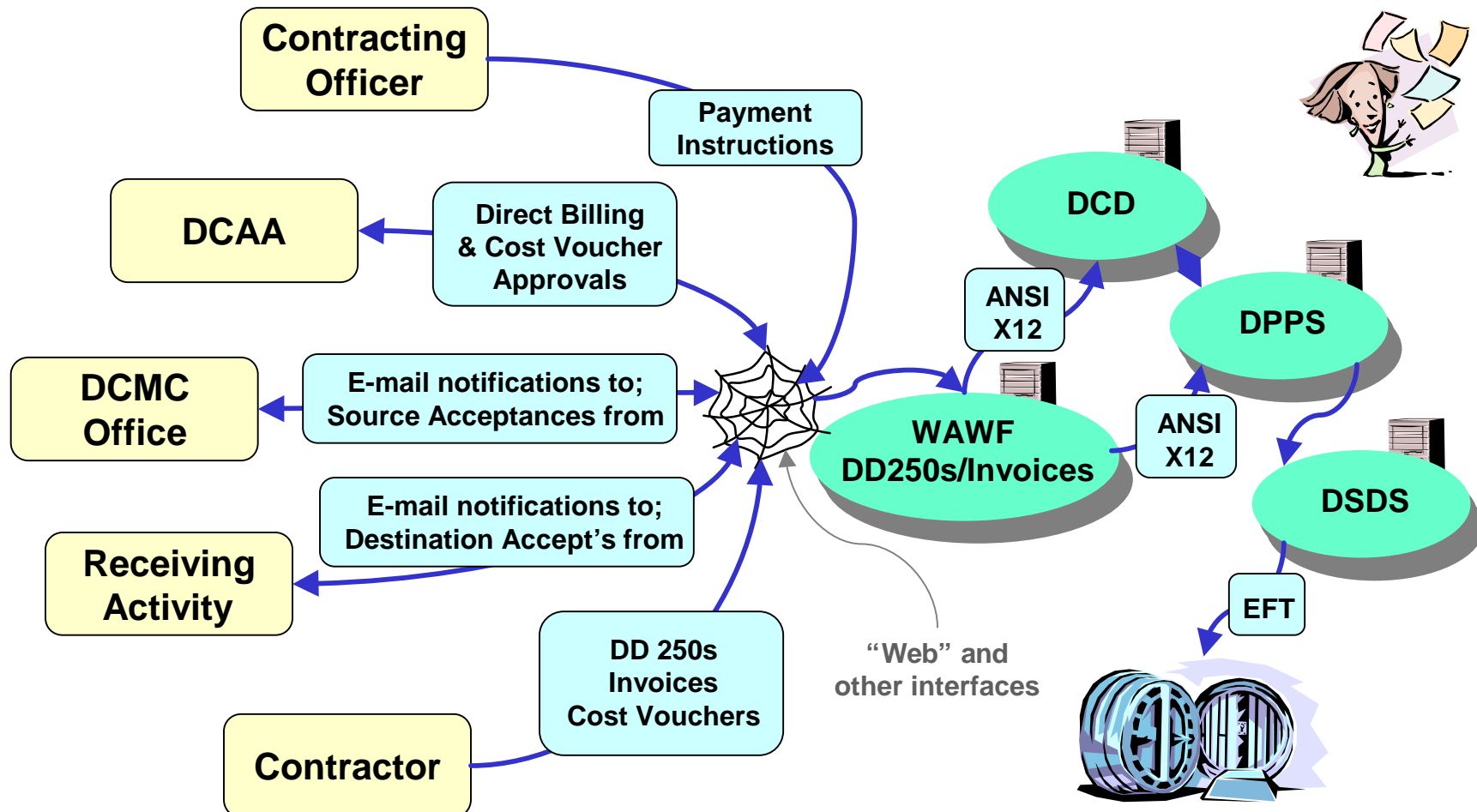
End-to-End Procurement Process

Systems that Support the End-to-End Business Process

Purchase Request System

Funding System

Accounting System

Buying Office SPS

DCD

SDW

EDA

WAWF Closeout

DPPS

WAWF DD250s/Invoices

Contractor Web Capabilities

DCMC SPS & EDW

These systems all need to share data . . .

Need clear interfaces!
Reengineering opportunities!

End-to-End Procurement Process

Reengineering Example

- Contracting Officer
- Payment Instructions
- DCAA
- Direct Billing & Cost Voucher Approvals
- DCMC Office
- E-mail notifications to; Source Acceptances from
- Receiving Activity
- E-mail notifications to; Destination Accept's from
- Contractor
- DD 250s Invoices Cost Vouchers
- "Web" and other interfaces
- WAWF DD250s/Invoices
- DCD
- ANSI X12
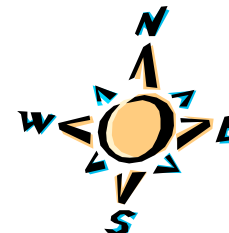- DPPS
- ANSI X12
- DSDS
- EFT

End-to-End Procurement Process

Basic Approach

- **Describe the To-Be Procurement Process Flow**
  - **Develop Process Model**
  - **Describe Inputs/Outputs**
  - **Identify Transfer Mechanisms**
  - **Develop Systems Maps**
- ***Incorporate recommendations and findings from DRIDs #32 and #33 study groups!***
- **Develop implementation recommendations**
- **Provide final report to Paperless Contracting Overarching IPT and DRO**

End-to-End Procurement Process

Timeline

⑤ **Phase 1 - Model Template**	*November 17-19*
❸ **"Process" Subject Matter Experts (SMEs)**	
⑤ **Phase 2 - Develop Process Model**	*December 8-10*
❸ **"Technical" Data Exchange SMEs**	
⑤ **Phase 3 - Detailed "To-Be" Model**	*January 5-7* *January 25-27* *February 16-18*
❸ **As many levels of indenture as needed**	
❸ **Smaller Group of SMEs**	
⑤ **Phase 4 - System Cross-Walk**	*NOW!!*
⑤ **Phase 5 - "Final Polishing" Session**	*Mid-March*
⑤ **Develop Reports and Briefings**	*Late March*

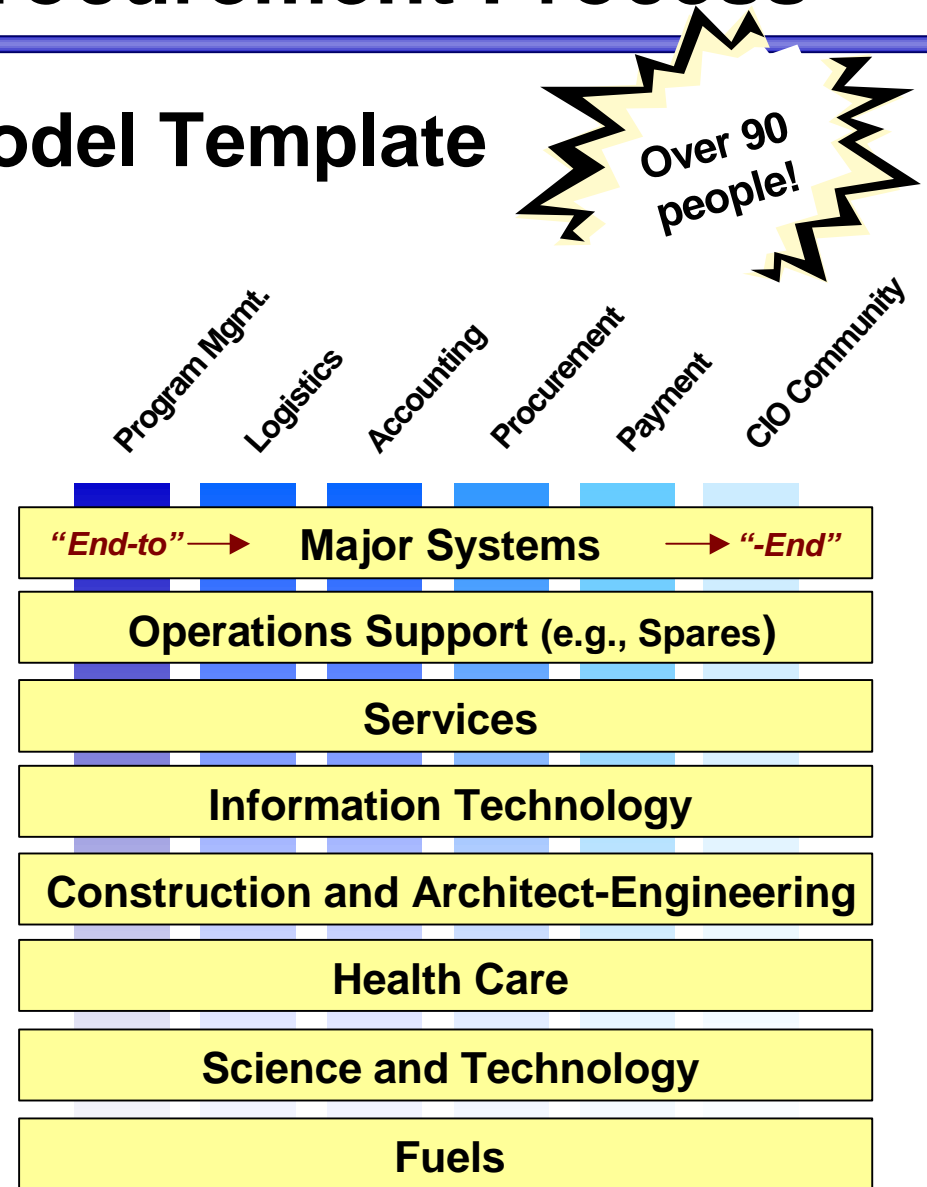# End-to-End Procurement Process

Phase 1 - Model Template

Over 90 people!

How we went about it . . .

"What we buy drives how we buy!" is what we heard from field practitioners . . .

So, we broke up into sub-groups organized by "types" of buying . . .

And went for an "end-to-end" view for each one of those!

	Program Mgmt.	Logistics	Accounting	Procurement	Payment	CIO Community

"End-to" → **Major Systems** → "-End"

Operations Support (e.g., Spares)

Services

Information Technology

Construction and Architect-Engineering

Health Care

Science and Technology

Fuels

More →

End-to-End Procurement Process

Phase 1 - Model Template

	Program Mgmt.	Logistics	Accounting	Procurement	Payment	CIO Community	
Major Systems							→ **Systems Vision**
Operations Support (e.g., Spares)							→ Ops Support Vision
Services							→ Services Vision
Information Technology							→ "
Construction and Architect-Engineering							→ "
Health Care							→ "
Science and Technology							→ "
Fuels							→ "

1 - 2 persons per "cell"

X   Integration

= **Integrated Template**

And then combined all the different views into. . .

Phase 2 - Process Model

Over 80 people!

How we went about it . . .

- ⑤ We went "vertical". . .

- ⑤ Divided into four subgroups:
  - Procurement Planning
  - Pre-Award
  - Post Award
  - Receipts and Payments

- ⑤ Concentrated on the "wiring diagram" connections between the different parts of the process!
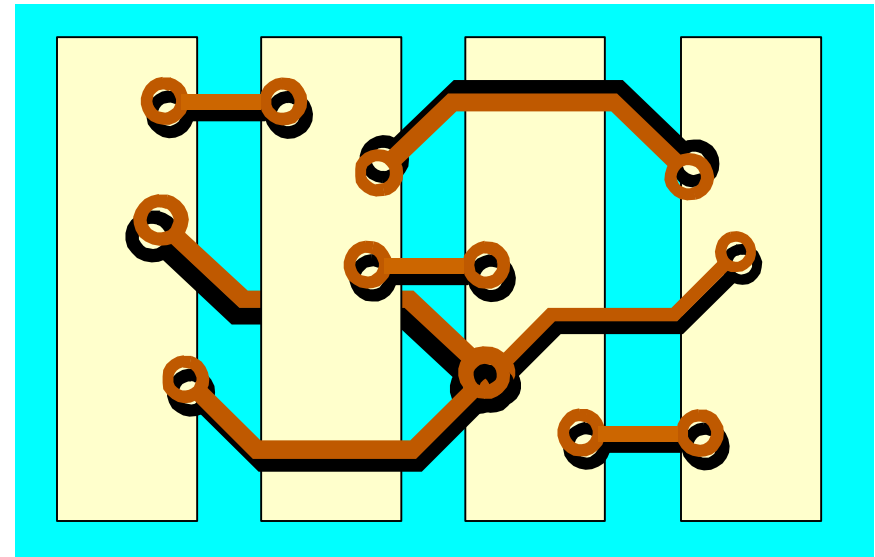
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Phase 3:
Several Sessions - *Just Completed!*

- ⑤ **Smaller group of functional experts with good knowledge of SPS, DPPS, DFAS Corporate Database, etc.**

- ⑤ **Integrated Phase 1 and 2 results . . .**

- ⑤ **Incorporated improvement ideas . . .**

- ⑤ **Documented the business rules . . .**
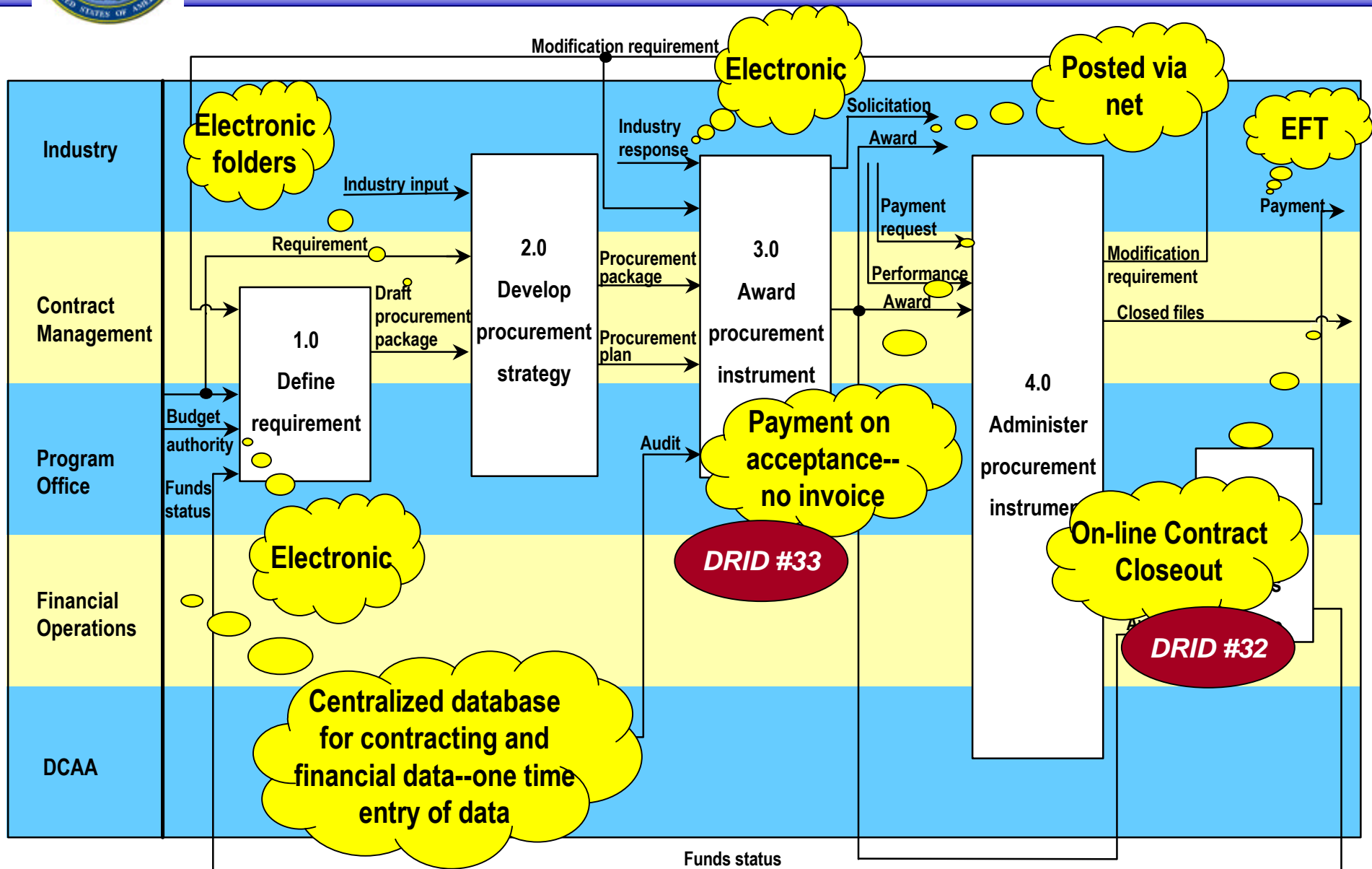
- ⑤ **Developed . . .**
  - **"To-Be" Process Model**
  - **"To-Be" Process Inputs/Outputs and Systems Maps**

End-to-End Procurement Process

Phase 4:
Systems "Crosswalk"

Today!

Dialogue with "To Be" Systems "Owners" . . .

- "Reality check" the "To Be" recommendations . . .
- Look for missed improvement opportunities . . .
- *Come away with a better product, and clear understanding of the "To Be" process flow and information requirements!*

End-to-End Procurement Process

Let's get started!